

ROUND MOUNTAIN WATER AND SANITATION DISTRICT
A RESOLUTION APPROVING THE SALE OF CERTAIN REAL
PROPERTY

WHEREAS, the District and United Business Bank (as a successor-in-interest to Colorado Mountain Bank) are parties to a Lease/Purchase Agreement dated August 9, 2000 ("Lease Purchase Agreement"), pursuant to which the bank owns certain real property and water rights;

WHEREAS, pursuant to a separate agreement between the District and the bank, the District has contracted to purchase the real property and the water rights; and

WHEREAS, upon the District's purchase of the Property, the District intends to sell the real property, but not the water rights, to Joseph and Sheryl Kropf, pursuant to the terms of the agreement attached hereto as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Round Mountain Water and Sanitation District that:

1. The Purchase and Sale Agreement for real property attached hereto as **Exhibit A** (the "Agreement") is hereby approved and the Chair and/or the District Manager are authorized to execute the same and all other documents required to effectuate the sale of the Property with no further approval or action of the Board of Directors being required.
2. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.
3. This Resolution shall take effect and be enforced immediately upon its approval by the Board of Directors of the District.

The foregoing **Resolution 2022-11** was approved and adopted this 22nd day of September 2022.

Round Mountain Water and Sanitation District

By: _____

Chairman

Attest: _____

Vice Chair



Hayden Outdoors
 Twila Geroux
 Ph: 719-371-4344
 Fax: 877-919-9495

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS4-6-21) (Mandatory 1-22)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

**CONTRACT TO BUY AND SELL REAL ESTATE
 (LAND)**

Property with No Residences)
 Property with Residences-Residential Addendum Attached)

Date: 8/17/2022

AGREEMENT

1. **AGREEMENT.** Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. **PARTIES AND PROPERTY.**

2.1. **Buyer.** Joseph Kropf and Sheryl Kropf (Buyer) will take title to the Property described below as **Joint Tenants** **Tenants In Common** **Other** n/a.

2.2. **No Assignability.** This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions.**

2.3. **Seller.** Round Mountain Water & Sanitation District (Seller) is the current owner of the Property described below.

2.4. **Property.** The Property is the following legally described real estate in the County of Custer, Colorado (insert legal description):

S2 SEC 8-23-72

known as: TBD Colony Ln, Westcliffe, CO 81252

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. **Inclusions.** The Purchase Price includes the following items (Inclusions):

2.5.1. **Inclusions.** The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions:**

n/a

If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. **Encumbered Inclusions.** Any Inclusions owned by Seller (i.e., owned solar panels) must be conveyed at Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and encumbrances, except:

n/a

2.5.3. **Personal Property Conveyance.** Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

2.5.4. **Leased Items.** The following personal property is currently leased to Seller which will be

Seller(s) Initials:

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58 transferred to Buyer at Closing (Leased Items):

59 n/a

60 **2.6. Exclusions.** The following items are excluded (Exclusions):

61 Solar pump and solar panels, stock tank, stock panels

62 **2.7. Water Rights, Well Rights, Water and Sewer Taps.**

63 **2.7.1. Deeded Water Rights.** The following legally described water rights:

64 n/a

65 Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

66 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§
67 2.7.1., 2.7.3., 2.7.4. and 2.7.5., will be transferred to Buyer at Closing:

68 n/a

69 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer
70 understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well"
71 used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership
72 form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in
73 the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for
74 the well and pay the cost of registration. If no person will be providing a closing service in connection with the
75 transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is
76 13284.

77 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as
78 follows:

79 n/a

80 **2.7.5. Water and Sewer Taps.** The parties agree that water and sewer taps listed below for the
81 Property are being conveyed as part of the Purchase Price as follows:

82 n/a

83 **If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider,**
84 **written confirmation of the amount remaining to be paid, if any, time and other restrictions for**
85 **transfer and use of the taps.**

86 **2.7.6. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights
87 Relating to Water), § 2.7.3. (Well Rights), § 2.7.4. (Water Stock Certificates), or § 2.7.5. (Water and Sewer
88 Taps), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

89 **2.7.7. Water Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if
90 examination of the Water Rights is unsatisfactory to Buyer on or before the **Water Rights Examination**
91 **Deadline.**

92 **2.8. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows:

93 n/a

94 **3. DATES, DEADLINES AND APPLICABILITY.**

95 **3.1. Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§ 3	Time of Day Deadline	<u>n/a</u>
2	§ 4	Alternative Earnest Money Deadline	<u>5 business days after MEC</u>
		Title	
3	§ 8	Record Title Deadline (and Tax Certificate)	<u>9/8/2022</u> Thursday
4	§ 8	Record Title Objection Deadline	<u>9/13/2022</u> Tuesday
5	§ 8	Off-Record Title Deadline	<u>9/8/2022</u> Thursday
6	§ 8	Off-Record Title Objection Deadline	<u>9/13/2022</u> Tuesday

Seller(s) Initials:

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116	7	§ 8	Title Resolution Deadline	9/21/2022	Wednesday
117					
118	8	§ 8	Third Party Right to Purchase/Approve Deadline	n/a	
119					
120			Owners' Association		
121	9	§ 7	Association Documents Deadline	n/a	
122	10	§ 7	Association Documents Termination Deadline	n/a	
123					
124			Seller's Disclosures		
125	11	§ 10	Seller's Property Disclosure Deadline	9/8/2022	Thursday
126					
127	12	§ 10	Lead-Based Paint Disclosure Deadline (if Residential Addendum attached)	n/a	
128					
129			Loan and Credit		
130					
131	13	§ 5	New Loan Application Deadline	n/a	
132	14	§ 5	New Loan Terms Deadline	n/a	
133	15	§ 5	New Loan Availability Deadline	n/a	
134	16	§ 5	Buyer's Credit Information Deadline	8/23/2022	Tuesday
135					
136	17	§ 5	Disapproval of Buyer's Credit Information Deadline	8/24/2022	Wednesday
137					
138	18	§ 5	Existing Loan Deadline	n/a	
139					
140	19	§ 5	Existing Loan Termination Deadline	n/a	
141					
142	20	§ 5	Loan Transfer Approval Deadline	n/a	
143					
144	21	§ 4	Seller or Private Financing Deadline	n/a	
145					
146			Appraisal		
147	22	§ 6	Appraisal Deadline	n/a	
148	23	§ 6	Appraisal Objection Deadline	n/a	
149	24	§ 6	Appraisal Resolution Deadline	n/a	
150					
151			Survey		
152	25	§ 9	New ILC or New Survey Deadline	n/a	
153	26	§ 9	New ILC or New Survey Objection Deadline	n/a	
154	27	§ 9	New ILC or New Survey Resolution Deadline	n/a	
155					
156			Inspection and Due diligence		
157					
158	28	§ 2	Water Rights Examination Deadline	n/a	
159	29	§ 8	Mineral Rights Examination Deadline	n/a	
160	30	§ 10	Inspection Termination Deadline	n/a	
161	31	§ 10	Inspection Objection Deadline	n/a	
162	32	§ 10	Inspection Resolution Deadline	n/a	
163					
164	33	§ 10	Property Insurance Termination Deadline	n/a	
165					
166	34	§ 10	Due Diligence Documents Delivery Deadline	9/14/2022	Wednesday
167					
168	35	§ 10	Due Diligence Documents Objection Deadline	9/16/2022	Friday
169	36	§ 10	Due Diligence Documents Resolution Deadline	9/20/2022	Tuesday
170					
171	37	§ 10	Environmental Inspection Termination Deadline	n/a	
172					
173	38	§ 10	ADA Evaluation Termination Deadline	n/a	
174					

Seller(s) Initials:

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175	39	§ 10	Conditional Sale Deadline	<i>n/a</i>
176				
177	40	§ 10	Lead-Based Paint Termination Deadline (if Residential Addendum attached)	<i>n/a</i>
178				
179	41	§ 11	Estoppel Statements Deadline	<i>n/a</i>
180				
181	42	§ 11	Estoppel Statements Termination Deadline	<i>n/a</i>
182			Closing and Possession	
183	43	§ 12	Closing Date	10/10/2022 Monday
184				
185	44	§ 17	Possession Date	Date of Closing
186				
187	45	§ 17	Possession Time	Time of successful Closing
188				
189	46	§ 27	Acceptance Deadline Date	8/19/2022 Friday
190				
191	47	§ 27	Acceptance Deadline Time	4:00 PM MST
192	48	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
193	49	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

194
195 **3.2. Applicability of Terms.** If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or
196 completed with "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision
197 containing the deadline is deleted. Any box checked in this Contract means the corresponding provision
198 applies. If no box is checked in a provision that contains a selection of "None", such provision means that
199 "None" applies.

200
201 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have
202 signed this Contract. The abbreviation "N/A" as used in this Contract means not applicable.

203
204 **3.3. Day; Computation of Period of Days; Deadlines.**

205 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m.,
206 United States Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of**
207 **Day Deadline** is specified in § 3.1. (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines,
208 Examination Deadlines and Termination Deadlines will end on the specified deadline date at the time of day
209 specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of Day Deadline** is left blank
210 or "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.

211 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after
212 MEC), when the ending date is not specified, the first day is excluded and the last day is included.

213 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
214 (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or
215 Holiday. Should neither box be checked, the deadline will not be extended.

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217
218 **4. PURCHASE PRICE AND TERMS.**

219 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as
220 follows:

Item No.	Reference	Item	Amount	Amount
223	1	§ 4.1.	Purchase Price	\$ 1,500,000.00
224	2	§ 4.3.	Earnest Money	\$ 30,000.00
225	3	§ 4.5.	New Loan	\$
226	4	§ 4.6.	Assumption Balance	\$
227	5	§ 4.7.	Private Financing	\$
228	6	§ 4.7.	Seller Financing	\$
229	7	<i>n/a</i>	<i>n/a</i>	\$

Seller(s) Initials:

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233	8	n/a	n/a		\$
234					
235	9	§ 4.4.	Cash at Closing		\$ 1,470,000.00
236	10		Total	\$ 1,500,000.00	\$ 1,500,000.00
237					

238 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$n/a (Seller Concession). The Seller
 239 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed
 240 by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of
 241 allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs,
 242 loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or
 243 expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere
 244 in this Contract.

245 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a Good Funds, will
 246 be payable to and held by Central Colorado Title (Earnest Money Holder), in its trust account, on behalf
 247 of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless
 248 the parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize
 249 delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at
 250 or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money
 251 deposits transferred to a fund established for the purpose of providing affordable housing to Colorado
 252 residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money
 253 deposited with the Earnest Money Holder in this transaction will be transferred to such fund.

254 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if
 255 other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

256 **4.3.2. Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates,
 257 Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as
 258 set forth in § 24 and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not
 259 already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer
 260 or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
 261 days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in §
 262 23 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an
 263 Earnest Money Release form, Buyer agrees to execute and return to Seller or Broker working with Seller,
 264 written mutual instructions (e.g., Earnest Money Release form), within three days of Buyer's receipt.

265 **4.3.2.1. Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute
 266 and return the Earnest Money Release Form, or other written mutual instructions, Seller is in default and
 267 liable to Buyer as set forth in "If Seller is in Default", § 20.2. and § 21, unless Seller is entitled to the
 268 Earnest Money due to a Buyer default.

269 **4.3.2.2. Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute
 270 and return the Earnest Money Release Form, or other written mutual instructions, Buyer is in default and
 271 liable to Seller as set forth in "If Buyer is in Default", § 20.1. and § 21, unless Buyer is entitled to the Earnest
 272 Money due to a Seller Default.

273 **4.4. Form of Funds; Time of Payment; Available Funds.**

274 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds,
 275 Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including
 276 electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

277 **4.4.2. Time of Payment.** All funds, including the Purchase Price to be paid by Buyer, must be
 278 paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by
 279 Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.**

280 **4.4.3. Available Funds.** Buyer represents that Buyer, as of the date of this Contract, **Does**
 281 **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount
 282 stated as Cash at Closing in § 4.1.

283 **4.5. New Loan.** (Omitted as inapplicable)

284 **4.6. Assumption.** (Omitted as inapplicable)

285 **4.7. Seller or Private Financing.** (Omitted as inapplicable)

287 Seller(s) Initials:

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TRANSACTION PROVISIONS

5. FINANCING CONDITIONS AND OBLIGATIONS. (Omitted as inapplicable)

5.3. Credit Information. If an existing loan is not to be released at Closing, this Contract is conditional (for the sole benefit of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be in Seller's sole subjective discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's expense, information and documents (including a current credit report) concerning Buyer's financial, employment and credit condition; (2) Buyer consents that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information and documents received by Seller must be held by Seller in confidence and not released to others except to protect Seller's interest in this transaction. If the Cash at Closing is less than as set forth in § 4.1. of this Contract, Seller has the Right to Terminate under § 24.1., on or before Closing. If Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective discretion, Seller has the Right to Terminate under § 24.1., on or before **Disapproval of Buyer's Credit Information Deadline**.

5.4. Existing Loan Review. If an existing loan is not to be released at Closing, Seller must deliver copies of the loan documents (including note, deed of trust and any modifications) to Buyer by **Existing Loan Deadline**. For the sole benefit of Buyer, this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer has the Right to Terminate under § 24.1., on or before **Existing Loan Termination Deadline**, based on any unsatisfactory provision of such loan documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the Property is required, this Contract is conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will terminate on such deadline. Seller has the Right to Terminate under § 24.1., on or before Closing, in Seller's sole subjective discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth in § 4.6.

6. APPRAISAL PROVISIONS.

6.1. Appraisal Definition. An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

6.2. Appraised Value. The applicable appraisal provision set forth below applies to the respective loan type set forth in § 4.5.3., or if a cash transaction (i.e., no financing), § 6.2.1. applies.

6.2.1. Conventional/Other. Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal Objection Deadline**:

6.2.1.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1., that this Contract is terminated; or

6.2.1.2. Appraisal Objection. Deliver to Seller a written objection accompanied by either a copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the Purchase Price (Lender Verification).

6.2.1.3. Appraisal Resolution. If an Appraisal Objection is received by Seller, on or before **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination, (i.e., on or before expiration of **Appraisal Resolution Deadline**).

6.3. Lender Property Requirements. If the lender imposes any written requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Property Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following Seller's receipt of the Lender Property Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy

350 the Lender Property Requirements; (2) the Lender Property Requirements have been completed; or (3) the
351 satisfaction of the Lender Property Requirements is waived in writing by Buyer.

352 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be
353 timely paid by Buyer Seller. The cost of the Appraisal may include any and all fees paid to the
354 appraiser, appraisal management company, lender's agent or all three.
355

356 **7. OWNERS' ASSOCIATIONS.** This Section is applicable if the Property is located within one or more
357 Common Interest Communities and subject to one or more declarations (Association).
358

359 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
360 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
361 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
362 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
363 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND**
364 **REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY,**
365 **INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES**
366 **NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY**
367 **AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND**
368 **REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE**
369 **PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF**
370 **THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY**
371 **WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL**
372 **OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ**
373 **THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF**
374 **THE ASSOCIATION.**
375

376 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
377 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline.** Seller
378 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
379 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association
380 Documents, regardless of who provides such documents.
381

382 **7.3. Association Documents.** Association documents (Association Documents) consist of the
383 following:

384 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization,
385 operating agreements, rules and regulations, party wall agreements and the Association's responsible
386 governance policies adopted under § 38-33.3-209.5, C.R.S.;

387 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or
388 managers' meetings; such minutes include those provided under the most current annual disclosure required
389 under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
390 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
391 minutes, if any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and
392

393 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
394 Disclosure, including, but not limited to, property, general liability, association director and officer professional
395 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
396 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);
397

398 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special
399 assessments as disclosed in the Association's last Annual Disclosure;

400 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's
401 operating budget for the current fiscal year, (2) the Association's most recent annual financial statements,
402 including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual
403 Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the
404 fees and charges (regardless of name or title of such fees or charges) that the Association's community
405 association manager or Association will charge in connection with the Closing including, but not limited to,
406 any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or
407

Seller(s) Initials:

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408 update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record
409 Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves
410 or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and 7.3.5., collectively, Financial
411 Documents);

412 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under §
413 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
414 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's
415 obligation to disclose adverse material facts as required under § 10.2. (Disclosure of Adverse Material Facts;
416 Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or
417 limited common elements of the Association property.

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419 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.
420 Buyer has the Right to Terminate under § 24.1., on or before **Association Documents Termination**
421 **Deadline**, based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole
422 subjective discretion. Should Buyer receive the Association Documents after **Association Documents**
423 **Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate
424 received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does
425 not receive the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be
426 received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before
427 Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions
428 of the Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision,
429 notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).
430
431

432 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

433 **8.1. Evidence of Record Title.**

434 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the
435 title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record**
436 **Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title
437 Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title**
438 certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as
439 soon as practicable at or after Closing.
440

441 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the
442 title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record**
443 **Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title
444 Commitment), in an amount equal to the Purchase Price.
445 If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.

446 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not** contain
447 Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or
448 insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3)
449 survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time
450 of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and
451 unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be
452 paid by **Buyer** **Seller** **One-Half by Buyer and One-Half by Seller** **Other** *n/a*.
453

454 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or
455 delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may
456 require a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance
457 Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.7. (Right to Object to Title,
458 Resolution).
459

460 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,
461 declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other
462 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in
463 the Title Commitment furnished to Buyer (collectively, Title Documents).
464

465 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,

Seller(s) Initials: *K K*

466 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of
467 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the
468 documents required in this Section will be at the expense of the party or parties obligated to pay for the
469 owner's title insurance policy.
470

471 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title
472 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**
473 **Deadline.**

474 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment
475 and any of the Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before
476 **Record Title Objection Deadline.** Buyer's objection may be based on any unsatisfactory form or content of
477 Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition, in
478 Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not
479 received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
480 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title
481 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such
482 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer,
483 (2) any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the
484 Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this
485 § 8.2. (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to
486 Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all
487 documents required by § 8.1. (Evidence of Record Title) and Seller does not receive Buyer's Notice to
488 Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition
489 of title as disclosed by the Abstract of Title, Title Commitment and Title Documents as satisfactory.
490

491 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
492 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
493 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
494 other title matters not shown by public records, of which Seller has actual knowledge (Off-Record Matters).
495 This Section excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has
496 the right to inspect the Property to investigate if any third party has any right in the Property not shown by
497 public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to
498 Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed
499 by such inspection, notwithstanding § 8.2. (Record Title) and § 13 (Transfer of Title), in Buyer's sole
500 subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline.** If an
501 Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of
502 Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives
503 Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title
504 objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If
505 Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline
506 specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not
507 shown by public records of which Buyer has actual knowledge.
508

509 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL**
510 **OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES**
511 **ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS**
512 **MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING**
513 **OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A**
514 **DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES.**
515 **BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS**
516 **LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF**
517 **TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD**
518 **OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY**
519 **ASSESSOR.**
520

521 **8.5. Tax Certificate.** A tax certificate paid for by Seller Buyer, for the Property listing any
522 special taxing districts that affect the Property (Tax Certificate) must be delivered to Buyer on or before
523
524

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525 **Record Title Deadline.** If the Property is located within a special taxing district and such inclusion is
526 unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may terminate, on or before **Record Title**
527 **Objection Deadline.** Should Buyer receive the Tax Certificate after **Record Title Deadline**, Buyer, at Buyer's
528 option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or
529 before ten days after Buyer's receipt of the Tax Certificate. If Buyer does not receive the Tax Certificate, or if
530 Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing Date**, Buyer's
531 Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice
532 to Terminate within such time, Buyer accepts the provisions of the Tax Certificate and the inclusion of the
533 Property in a special taxing district, if applicable, as satisfactory and Buyer waives any Right to Terminate
534 under this provision. If Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits Buyer from paying for the
535 Tax Certificate, the Tax Certificate will be paid for by Seller.
536

537 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property
538 (e.g., right of first refusal on the Property, right to purchase the Property under a lease or an option held by a
539 third party to purchase the Property) or a right of a third party to approve this Contract, Seller must promptly
540 submit this Contract according to the terms and conditions of such right. If the third-party holder of such right
541 exercises its right this Contract will terminate. If the third party's right to purchase is waived explicitly or
542 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
543 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this
544 Contract has not occurred on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will
545 then terminate. Seller will supply to Buyer, in writing, details of any Third Party Right to Purchase the
546 Property on or before the Record Title Deadline.
547

548 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole
549 subjective discretion, based on any title matters including those matters set forth in § 8.2. (Record Title), §
550 8.3. (Off-Record Title), § 8.5. (Special Taxing District) and § 13 (Transfer of Title). If Buyer exercises Buyer's
551 rights to object or terminate based on any such title matter, on or before the applicable deadline, Buyer has
552 the following options:
553

554 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title
555 matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
556 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
557 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
558 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
559 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
560 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3.
561 (Off-Record Title) the Title Resolution Deadline also will be automatically extended to the earlier of Closing or
562 fifteen days after Buyer's receipt of the applicable documents; or
563

564 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under §
565 24.1., on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
566 subjective discretion.
567

568 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
569 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
570 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
571 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
572 easements, leases and other unrecorded agreements, water on or under the Property and various laws and
573 governmental regulations concerning land use, development and environmental matters.
574

575 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
576 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
577 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
578 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL,**
579 **GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
580 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF**
581 **THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**
582

583 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
584 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**

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583 AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE
584 COUNTY CLERK AND RECORDER.

585 8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR
586 ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,
587 WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,
588 PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING
589 FACILITIES.
590

591 8.8.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL
592 INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,
593 INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE
594 COLORADO OIL AND GAS CONSERVATION COMMISSION.

595 8.8.5. Title Insurance Exclusions. Matters set forth in this Section and others, may be
596 excepted, excluded from, or not covered by the owner's title insurance policy.

597 8.9. Mineral Rights Review. Buyer Does Does Not have a Right to Terminate if examination of
598 the Mineral Rights is unsatisfactory to Buyer on or before the **Mineral Rights Examination Deadline**.
599

600

601 9. NEW ILC, NEW SURVEY.

602 9.1. New ILC or New Survey. If the box is checked, (1) New Improvement Location Certificate
603 (New ILC); or, (2) New Survey in the form of n/a; is required and the following will apply:

604 9.1.1. Ordering of New ILC or New Survey. Seller Buyer will order the New ILC or New
605 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
606 certified and updated as of a date after the date of this Contract.

607 9.1.2. Payment for New ILC or New Survey. The cost of the New ILC or New Survey will be paid, on
608 or before Closing, by: Seller Buyer or:
609 n/a

610

611 9.1.3. Delivery of New ILC or New Survey. Buyer, Seller, the issuer of the Title Commitment (or
612 the provider of the opinion of title if an Abstract of Title) and n/a will receive a New ILC or New Survey on or
613 before **New ILC or New Survey Deadline**.
614

615 9.1.4. Certification of New ILC or New Survey. The New ILC or New Survey will be certified by
616 the surveyor to all those who are to receive the New ILC or New Survey.

617 9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection. Buyer may select a
618 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller
619 or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective
620 discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

621 9.3. New ILC or New Survey Objection. Buyer has the right to review and object based on the New
622 ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to
623 Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection**
624 **Deadline**, notwithstanding § 8.3. or § 13:
625

626 9.3.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1., that this Contract is
627 terminated; or

628 9.3.2. New ILC or New Survey Objection. Deliver to Seller a written description of any matter
629 that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer
630 requires Seller to correct.

631 9.3.3. New ILC or New Survey Resolution. If a **New ILC or New Survey Objection** is received
632 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not
633 agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this
634 Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller
635 receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination (i.e., on
636 or before expiration of **New ILC or New Survey Resolution Deadline**).
637
638
639
640

DISCLOSURE, INSPECTION AND DUE DILIGENCE

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND SOURCE OF WATER.

10.1. Seller's Property Disclosure. On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of this Contract.

10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition. Seller must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract. Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer. Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "**As Is**" condition, "**Where Is**" and "**With All Faults.**"

10.3. Inspection. Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally or both) of the Property, Leased Items, and Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased Items, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may:

10.3.1. Inspection Termination. On or before the **Inspection Termination Deadline**, notify Seller in writing, pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition, provided the Buyer did not previously deliver an Inspection Objection. Buyer's Right to Terminate under this provision expires upon delivery of an Inspection Objection to Seller pursuant to § 10.3.2.; or

10.3.2. Inspection Objection. On or before the **Inspection Objection Deadline**, deliver to Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct.

10.3.3. Inspection Resolution. If an Inspection Objection is received by Seller, on or before **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination (i.e., on or before expiration of **Inspection Resolution Deadline**). Nothing in this provision prohibits the Buyer and the Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by executing an Earnest Money Release.

10.4. Damage, Liens and Indemnity. Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the termination of this Contract. This § 10.4. does not apply to items performed pursuant to an Inspection Resolution.

10.5. Insurability. Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance Termination Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and

700 premium for property insurance (Property Insurance) on the Property, in Buyer's sole subjective discretion.

701 **10.6. Due Diligence.**

702 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents
703 and information pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or
704 before **Due Diligence Documents Delivery Deadline**:

705 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other
706 occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining
707 to the Property that survive Closing are as follows (Leases):
708 [See Additional Provisions](#)

709 [See Additional Provisions](#)

710 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.4., Leased
711 Items) will be transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and information
712 pertaining to the personal property to Buyer on or before **Due Diligence Documents Delivery Deadline**.
713 Buyer Will Will Not assume the Seller's obligations under such leases for the Leased Items (§ 2.5.4.,
714 Leased Items).

715
716
717 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are
718 encumbered pursuant to § 2.5.2. (Encumbered Inclusions) above, Seller agrees to deliver copies of the
719 evidence of debt, security and any other documents creating the encumbrance to Buyer on or before **Due**
720 **Diligence Documents Delivery Deadline**. Buyer Will Will Not assume the debt on the Encumbered
721 Inclusions (§ 2.5.2., Encumbered Inclusions).

722 **10.6.1.4. Other Documents.** If the respective box is checked, Seller agrees to additionally
723 deliver copies of the following:

724 **10.6.1.4.1.** All contracts relating to the operation, maintenance and management of the
725 Property;

726 **10.6.1.4.2.** Property tax bills for the last 2 years;

727 **10.6.1.4.3.** As-built construction plans to the Property and the tenant improvements,
728 including architectural, electrical, mechanical and structural systems; engineering reports; and permanent
729 Certificates of Occupancy, to the extent now available;

730 **10.6.1.4.4.** A list of all Inclusions to be conveyed to Buyer;

731 **10.6.1.4.5.** Operating statements for the past n/a years;

732 **10.6.1.4.6.** A rent roll accurate and correct to the date of this Contract;

733 **10.6.1.4.7.** A schedule of any tenant improvement work Seller is obligated to complete
734 but has not yet completed and capital improvement work either scheduled or in process on the date of this
735 Contract;

736 **10.6.1.4.8.** All insurance policies pertaining to the Property and copies of any claims
737 which have been made for the past n/a years;

738 **10.6.1.4.9.** Soils reports, surveys and engineering reports or data pertaining to the
739 Property (if not delivered earlier under § 8.3.);

740 **10.6.1.4.10.** Any and all existing documentation and reports regarding Phase I and II
741 environmental reports, letters, test results, advisories and similar documents respective to the existence or
742 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances and/or
743 underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller,
744 Seller warrants that no such reports are in Seller's possession or known to Seller;

745 **10.6.1.4.11.** Any *Americans with Disabilities Act* reports, studies or surveys concerning
746 the compliance of the Property with said Act;

747 **10.6.1.4.12.** All permits, licenses and other building or use authorizations issued by any
748 governmental authority with jurisdiction over the Property and written notice of any violation of any such
749 permits, licenses or use authorizations, if any; and

750 **10.6.1.4.13.** Other:

751 [All documents and information pertaining to the physical, title and legal matters of the](#)
752 [subject property in Seller's possession.](#)
753
754
755
756
757

Seller(s) Initials:

JK *JK*

758 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
759 object based on the Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or
760 are unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
761 **Objection Deadline:**

762 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
763 is terminated; or

764 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of
765 any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

766 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection
767 is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller
768 have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**
769 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller
770 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination (i.e.,
771 on or before expiration of **Due Diligence Documents Resolution Deadline**.
772

773 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 24.1., on or before **Due Diligence**
774 **Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by
775 any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.
776

777 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental
778 inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable.
779 Seller Buyer will order or provide **Phase I Environmental Site Assessment, Phase II Environmental**
780 **Site Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for
781 Environmental Site Assessments) and/or *n/a*, at the expense of Seller Buyer (Environmental
782 Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether the Property
783 complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations
784 must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any
785 Seller's tenants' business uses of the Property, if any.
786

787 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site
788 Assessment, the **Environmental Inspection Termination Deadline** will be extended by *n/a* days (Extended
789 Environmental Inspection Objection Deadline) and if such Extended Environmental Inspection Objection
790 Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such
791 event, Seller Buyer must pay the cost for such Phase II Environmental Site Assessment.
792

793 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this §
794 10.6.4., Buyer has the Right to Terminate under § 24.1., on or before **Environmental Inspection**
795 **Termination Deadline**, or if applicable, the Extended Environmental Inspection Objection Deadline, based on
796 any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

797 Buyer has the Right to Terminate under § 24.1., on or before **ADA Evaluation Termination Deadline**,
798 based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

799 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
800 that certain property owned by Buyer and commonly known as *n/a*. Buyer has the Right to Terminate under §
801 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
802 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
803 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any
804 Right to Terminate under this provision.
805

806 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
807 Does Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water
808 Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer Does
809 Does Not acknowledge receipt of a copy of the current well permit.

810 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**
811 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE**
812 **DESCRIBED SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER**
813 **SUPPLIES.**
814

815 **10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of
816

Seller(s) Initials:

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816 the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions
817 or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend,
818 alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the
819 Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or
820 delayed.
821

822 **10.10. Lead-Based Paint. [Intentionally Deleted - See Residential Addendum if applicable]**

823 **10.11. Carbon Monoxide Alarms. [Intentionally Deleted - See Residential Addendum if**
824 **applicable]**

825 **10.12. Methamphetamine Disclosure. [Intentionally Deleted - See Residential Addendum if**
826 **applicable]**
827

828 829 **11. TENANT ESTOPPEL STATEMENTS.**

830 **11.1. Estoppel Statements Conditions.** Buyer has the right to review and object to any Estoppel
831 Statements. Seller must request from all tenants of the Property and if received by Seller, deliver to Buyer on
832 or before **Estoppel Statements Deadline**, statements in a form and substance reasonably acceptable to
833 Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
834 stating:

835 **11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;

836 **11.1.2.** That said Lease is in full force and effect and that there have been no subsequent
837 modifications or amendments;

838 **11.1.3.** The amount of any advance rentals paid, rent concessions given and deposits paid to
839 Seller;

840 **11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;

841 **11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and

842 **11.1.6.** That the Lease to which the Estoppel Statement is attached is a true, correct and
843 complete copy of the Lease demising the premises it describes.
844

845 **11.2. Seller Estoppel Statement.** In the event Seller does not receive from all tenants of the Property
846 a completed signed Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement
847 setting forth the information and documents required §11.1. above and deliver the same to Buyer on or
848 before **Estoppel Statements Deadline**.
849

850 **11.3. Estoppel Statements Termination.** Buyer has the Right to Terminate under § 24.1., on or
851 before **Estoppel Statements Termination Deadline**, based on any unsatisfactory Estoppel Statement, in
852 Buyer's sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or before **Estoppel**
853 **Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory Estoppel Statement.
854

855 856 **CLOSING PROVISIONS** 857

858 859 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

860 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the
861 Closing Company to enable the Closing Company to prepare and deliver documents required for Closing to
862 Buyer and Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer
863 acknowledges Buyer's lender is required to provide the Closing Company, in a timely manner, all required
864 loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any
865 additional information and documents required by Closing Company that will be necessary to complete this
866 transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or
867 before Closing.
868

869 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions **Are**
870 **Are Not** executed with this Contract.
871

872 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the
873 date specified as the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller agrees to
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Seller(s) Initials:

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875 deliver a set of keys for the Property to Buyer. The hour and place of Closing will be as designated by
876 Sellers & Buyers and agent mutually agreed upon.

877 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent
878 of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title
879 companies).

880 **12.5. Assignment of Leases.** Seller must assign to Buyer all Leases at Closing that will continue
881 after Closing and Buyer must assume Seller's obligations under such Leases. Further, Seller must transfer to
882 Buyer all Leased Items and assign to Buyer such leases for the Leased Items accepted by Buyer pursuant to
883 § 2.5.4. (Leased Items).
884

885

886 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract,
887 including the tender of any payment due at Closing, Seller must execute and deliver the following good and
888 sufficient deed to Buyer, at Closing: special warranty deed general warranty deed
889 bargain and sale deed quit claim deed personal representative's deed n/a deed. Seller, provided
890 another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer,
891 at Closing.
892

893 Unless otherwise specified in § 29 (Additional Provisions), if title will be conveyed using a special
894 warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined
895 in §38-30-113(5)(a), C.R.S.
896

897

898 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts
899 owed on any liens or encumbrances securing a monetary sum against the Property and Inclusions, including
900 any governmental liens for special improvements installed as of the date of Buyer's signature hereon,
901 whether assessed or not, and previous years' taxes, will be paid at or before Closing by Seller from the
902 proceeds of this transaction or from any other source.
903

904

905 **15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND WITHHOLDING.**

906 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all
907 other items required to be paid at Closing, except as otherwise provided herein.

908 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by
909 Buyer Seller One-Half by Buyer and One-Half by Seller Other n/a.
910

911 **15.3. Association Fees and Required Disbursements.** At least fourteen days prior to **Closing Date**,
912 Seller agrees to promptly request that the Closing Company or the Association deliver to Buyer a current
913 Status Letter, if applicable. Any fees associated with or specified in the Status Letter will be paid as follows:

914 **15.3.1. Status Letter Fee.** Any fee incident to the issuance of Association's Status Letter must
915 be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.
916

917 **15.3.2. Record Change Fee.** Any Record Change Fee must be paid by Buyer Seller
918 One-Half by Buyer and One-Half by Seller N/A.
919

920 **15.3.3. Assessments, Reserves or Working Capital.** All assessments required to be paid in
921 advance (other than Association Assessments as defined in § 16.2. (Association Assessments), reserves or
922 working capital due at Closing must be paid by Buyer Seller
923 One-Half by Buyer and One-Half by Seller N/A.
924

925 **15.3.4. Other Fees.** Any other fee listed in the Status Letter as required to be paid at Closing will
926 be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.
927

928 **15.4. Local Transfer Tax.** Any Local Transfer Tax must be paid at Closing by Buyer Seller
929 One-Half by Buyer and One-Half by Seller N/A.
930

931 **15.5. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be
932 paid when due by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

933 **15.6. Private Transfer Fee.** Any private transfer fees and other fees due to a transfer of the Property,
934 payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at
935

Seller(s) Initials:

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933 Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

934 **15.7. Water Transfer Fees.** Water Transfer Fees can change. The fees, as of the date of this
935 Contract, do not exceed \$n/a for:

936 Water Stock/Certificates Water District

937 Augmentation Membership Small Domestic Water Company Well

938 and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

940 **15.8. Utility Transfer Fees.** Utility transfer fees can change. Any fees to transfer utilities from Seller to
941 Buyer must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

942 **15.9. FIRPTA and Colorado Withholding.**

943 **15.9.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of the
944 Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
945 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in
946 this Section is checked, Seller represents that Seller **IS** a foreign person for purposes of U.S. income
947 taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for
948 purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide
949 any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller
950 authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with
951 Seller's tax advisor to determine if withholding applies or if an exemption exists.

952 **15.9.2. Colorado Withholding.** The Colorado Department of Revenue may require a portion of
953 the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if
954 not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any
955 reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing
956 Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to
957 determine if withholding applies or if an exemption exists.

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16. PRORATIONS AND ASSOCIATION ASSESSMENTS.

16.1. Prorations. The following will be prorated to the **Closing Date**, except as otherwise provided:

16.1.1. Taxes. Personal property taxes, if any, special taxing district assessments, if any, and
general real estate taxes for the year of Closing, based on

Taxes for the Calendar Year Immediately Preceding Closing

Most Recent Mill Levy and Most Recent Assessed Valuation, **Other**

n/a

16.1.2. Rents. Rents based on **Rents Actually Received** **Accrued**. At Closing, Seller will
transfer or credit to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after
lawful deductions, and notify all tenants in writing of such transfer and of the transferee's name and address.

16.1.3. Other Prorations. Water and sewer charges, propane, interest on continuing loan and

n/a

16.1.4. Final Settlement. Unless otherwise specified in Additional Provisions, these prorations
are final.

16.2. Association Assessments. Current regular Association assessments and dues (Association
Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular
Association Assessments for deferred maintenance by the Association will not be credited to Seller except as
may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated
to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment
assessed prior to **Closing Date** by the Association will be the obligation of **Buyer** **Seller**. Except
however, any special assessment by the Association for improvements that have been installed as of the
date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller
unless otherwise specified in Additional Provisions. Seller represents there are no unpaid regular or special
assessments against the Property except the current regular assessments and

n/a

Association Assessments are subject to change as provided in the Governing Documents.

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17. **POSSESSION.** Possession of the Property and Inclusions will be delivered to Buyer on **Possession Date at Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ 200 per day (or any part of a day notwithstanding § 3.3., Day) from **Possession Date** and **Possession Time** until possession is delivered.

General Provisions

18. **CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

18.1. **Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.

18.2. **Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive Closing.

18.3. **Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of the Property or Inclusions, but such credit will not include relocation benefits or expenses or exceed the Purchase Price.

18.4. **Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

18.5. **Home Warranty. [Intentionally Deleted]**

1050 **18.6. Risk of Loss – Growing Crops.** The risk of loss for damage to growing crops by fire or other
1051 casualty will be borne by the party entitled to the growing crops as provided in § 2.8. and such party is
1052 entitled to such insurance proceeds or benefits for the growing crops.
1053

1054 **19. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1055 acknowledge that their respective broker has advised that this Contract has important legal consequences
1056 and has recommended: (1) legal examination of title; (2) consultation with legal and tax or other counsel
1057 before signing this Contract as this Contract may have important legal and tax implications; (3) to consult with
1058 their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded in the sale; and
1059 (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be
1060 engaged and consulted. Such consultations must be done timely as this Contract has strict time limits,
1061 including deadlines, that must be complied with.
1062

1063
1064 **20. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1065 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due,
1066 including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed
1067 timely as provided in this Contract or waived, the non-defaulting party has the following remedies:
1068

1069 **20.1. If Buyer is in Default:**

1070 **20.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money
1071 (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1072 Money is not a penalty, and the parties agree the amount is fair and reasonable. Seller may recover such
1073 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full
1074 force and effect and Seller has the right to specific performance or damages, or both.
1075

1076 **20.1.2. Liquidated Damages, Applicable. This § 20.1.2. applies unless the box in § 20.1.1. is**
1077 **checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1078 Seller and retained by Seller. It is agreed that the Earnest Money amount specified in § 4.1. is LIQUIDATED
1079 DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided
1080 in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations
1081 of this Contract. Seller expressly waives the remedies of specific performance and additional damages.
1082

1083 **20.2. If Seller is in Default:**

1084 **20.2.1. Specific Performance, Damages or Both.** Buyer may elect to treat this Contract as
1085 canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may
1086 recover such damages as may be proper. Alternatively, in addition to the per diem in § 17 (Possession) for
1087 failure of Seller to timely deliver possession of the Property after Closing occurs, Buyer may elect to treat this
1088 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or
1089 both.
1090

1091 **20.2.2. Seller's Failure to Perform.** In the event Seller fails to perform Seller's obligations under
1092 this Contract, to include, but not limited to, failure to timely disclose Association violations known by Seller,
1093 failure to perform any replacements or repairs required under this Contract or failure to timely disclose any
1094 known adverse material facts, Seller remains liable for any such failures to perform under this Contract after
1095 Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this Contract are reserved and
1096 survive Closing.
1097

1098 **21. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1099 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court
1100 must award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1101 expenses.
1102

1103 **22. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1104 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the
1105 parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators
1106 cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must
1107

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1108 agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share
1109 equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the
1110 entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by
1111 one party to the other at that party's last known address (physical or electronic as provided in § 26). Nothing
1112 in this Section prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property,
1113 before or after the date of written notice requesting mediation. This Section will not alter any date in this
1114 Contract, unless otherwise agreed.
1115

1116

1117 **23. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1118 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller.
1119 In the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to
1120 release the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1)
1121 wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a
1122 court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable
1123 attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless
1124 Earnest Money Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller)
1125 containing the case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money
1126 Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In
1127 the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the
1128 time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the
1129 Court. The parties reaffirm the obligation of § 22 (Mediation). This Section will survive cancellation or
1130 termination of this Contract.
1131

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1133 **24. TERMINATION.**

1134

1135 **24.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1136 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1137 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1138 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the
1139 Right to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right
1140 to Terminate under such provision.

1141

1142 **24.2. Effect of Termination.** In the event this Contract is terminated, and all Earnest Money received
1143 hereunder is timely returned to Buyer, the parties are relieved of all obligations hereunder, subject to §§ 10.4.
1144 and 21.

1145

1146 **25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1147 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1148 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1149 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1150 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by
1151 its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor
1152 to a party receives the predecessor's benefits and obligations of this Contract.
1153

1154

1155 **26. NOTICE, DELIVERY AND CHOICE OF LAW.**

1156

1157 **26.1. Physical Delivery and Notice.** Any document or notice to Buyer or Seller must be in writing,
1158 except as provided in § 26.2. and is effective when physically received by such party, any individual named in
1159 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working
1160 with such party (except any notice or delivery after Closing must be received by the party, not Broker or
1161 Brokerage Firm).

1162

1163 **26.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in
1164 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1165 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1166 Closing, cancellation or Termination must be received by the party, not Broker or Brokerage Firm) at the

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1166 electronic address of the recipient by facsimile, email or [CTMe Contracts](#).

1167
1168 **26.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1169 at the email address of the recipient, (2) a link or access to a website or server provided the recipient
1170 receives the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax
1171 No.) of the recipient.

1172 **26.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1173 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign
1174 a contract in Colorado for real property located in Colorado.
1175

1176 **27. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,
1177 by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1178 acceptance pursuant to § 26 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1179 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1180 executed by each party, separately and when each party has executed a copy thereof, such copies taken
1181 together are deemed to be a full and complete contract between the parties.
1182

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1184 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith
1185 including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing**
1186 **Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey;**
1187 **and Property Disclosure, Inspection, Indemnity, Insurability Due Diligence and Source of Water.**
1188

1189
1190 **ADDITIONAL PROVISIONS AND ATTACHMENTS**
1191

1192
1193 **29. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the
1194 Colorado Real Estate Commission.)

1195 **Concerning 10.6.1.1. Occupancy Agreements.-**
1196 **Seller agrees to have all cattle removed from the subject property by September 30, 2022.**
1197 **Seller agrees that there will be no more cattle put on the property than there is as of**
1198 **8/18/2022.**
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1200
1201 **30. OTHER DOCUMENTS.**

1202 **30.1. Documents Part of Contract.** The following documents are a part of this Contract:
1203 **n/a**
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1205
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1208 **30.2. Documents Not Part of Contract.** The following documents have been provided but are not a
1209 part of this Contract:

1210 **1. Buyer will provide Proof of Funds for this purchase within 5 business days of MEC.**
1211 **2. Change of Status**
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1217 **Signatures**
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JK *JK*

Seller(s) Initials:

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Joseph Kropf

Date: 8/18/2022

Buyer: **Joseph Kropf**

Sheryl Kropf

Date: 8/18/2022

Buyer: **Sheryl Kropf**

[NOTE: If this offer is being countered or rejected, do not sign this document.]

Date: _____

Seller: **Round Mountain Water & Sanitation District**
By: Charles Bogle, Chairman of the Board

END OF CONTRACT TO BUY AND SELL REAL ESTATE

BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

A. Broker Working With Buyer

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction.

Customer. Broker has no brokerage relationship with Buyer. See § B for Broker's brokerage relationship with Seller.

Brokerage Firm's compensation or commission is to be paid by **Listing Brokerage Firm** **Buyer** **Other Seller.**

This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

Seller(s) Initials:

JK SK

1283 Brokerage Firm's Name: **Hayden Outdoors**
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1285 Brokerage Firm's License #: **EC100004181**

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Date: **8/17/2022**

1291 Broker's Name: **Twila Geroux**

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1293 Broker's License #: **IA40041735**

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1295 Address: **214 Main Street Westcliffe, CO 81252**

1296 Ph: **719-371-4344** Fax: **877-919-9495** Email Address: **twila@haydenoutdoors.com**

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B. Broker Working with Seller

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Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

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Broker is working with Seller as a **Seller's Agent** **Transaction-Broker** in this transaction.

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Customer. Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship with Buyer.

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Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** .

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This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

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Brokerage Firm's Name: **Hayden Outdoors**

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Brokerage Firm's License #: **EC100004181**

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Broker:



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Broker's License #: **IA40041735**

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Address: **214 Main Street Westcliffe, CO 81252**

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Ph: **719-371-4344** Fax: **877-919-9495** Email Address: **twila@haydenoutdoors.com**

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CBS4-6-21. CONTRACT TO BUY AND SELL REAL ESTATE (LAND)

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The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CP40-6-21) (Mandatory 1-22)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

COUNTERPROPOSAL

Date: 8/18/2022

1. This Counterproposal supersedes and replaces any previous counterproposal. This Counterproposal amends the proposed contract dated 8/17/2022 (Contract) between Round Mountain Water & Sanitation District (Seller) and Joseph Kropf and Sheryl Kropf (Buyer) relating to the sale and purchase of the following legally described real estate in the County of Custer, Colorado (insert legal description):

S2 SEC 8-23-72

known as: TBD Colony Ln, Westcliffe, CO 81252 (Property).

NOTE: If the table is omitted, or if any item is left blank or is marked in the "No Change" column, it means no change to the corresponding provision of the Contract. If any item is marked in the "Deleted" column, it means that the corresponding provision of the Contract to which reference is made is deleted.

2. § 3.1. Dates and Deadlines. [Omitted as inapplicable]

3. § 4. PURCHASE PRICE AND TERMS. [Omitted as inapplicable]

4. ATTACHMENTS. The following are a part of this Counterproposal:

no change

Note: The following documents have been provided but are not a part of this Counterproposal:

no change

5. OTHER CHANGES.

Buyer and Seller agree to two ingress/egress easements necessary for RMWSD to access, operate, and maintain water diversion gates and flumes. Buyer and Seller agree to meet within 14 days of MEC and come to terms on said easement locations. Seller agrees to provide the legal description of agreed-upon locations for each easement to Buyer on or before 9/23/2022 for Buyer's review to accept or object. If Buyer has an objection, Seller, on or before 10/3/2022, will resolve the objection.

6. ACCEPTANCE DEADLINE. This Counterproposal expires unless accepted in writing by Seller and Buyer as evidenced by their signatures below and the offering party to this document receives notice of such acceptance on or before 8/19/2022.

Date Time

If accepted, the Contract, as amended by this Counterproposal, will become a contract between Seller and Buyer. All other terms and conditions of the Contract remain the same.

Seller(s) Initials: CB

JK SK

32 Charles Bogle, Chairman of the Board Date: 8/18/2022

Seller: **Round Mountain Water & Sanitation District**
By: **Charles Bogle, Chairman of the Board**

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34 Seller: _____ Date: _____

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37 Joseph Kropf Date: 8/19/2022

Buyer: **Joseph Kropf**

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39 Sheryl Kropf Date: 8/19/2022

Buyer: **Sheryl Kropf**

Note: When this Counterproposal form is used, the Contract is **not** to be signed by the party initiating this
40 Counterproposal. Brokers must complete and sign the Broker's Acknowledgments and Compensation Disclosure
portion of the Contract.

CP40-6-21. COUNTERPROPOSAL

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Seller(s) Initials: CB JK SK